

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

MEETING OF THE BOARD OF DIRECTORS
OPEN SESSION

Saturday, April 15, 2000

10:00 a.m.

Marriott Wardman Park Hotel
2660 Woodley Road, N.W.
Washington, D.C. 20008

BOARD MEMBERS PRESENT:

Douglas S. Eakeley, Chairman
John Erlenborn
Edna Fairbanks-Williams
F. William McCalpin
Maria Luisa Mercado
LaVeeda Morgan Battle
Nancy H. Rogers
Thomas F. Smegal, Jr.
Ernestine Watlington

STAFF AND PUBLIC PRESENT:

John McKay, President
Victor Fortuno, Vice President for Legal Affairs, General
Counsel and Corporate Secretary
Mauricio Vivero, Vice President for Government
Relations & Public Affairs
Randi Youells, Vice President for Programs
David Richardson, Treasurer & Comptroller
Edouard Quatrevaux, Inspector General
Laurie Tarantowicz, Counsel to the Inspector General
Leslie Russell, Director, Office of Information Technology
Eric Kirkland, Assistant Inspector General for Evaluation
Leonard Koczur, Assistant Inspector General for Audit
John Hartingh, Special Assistant to the President
Shannon "Nikki" Adaway, Sr. Administrative/FOIA Officer
Ed Berg, Executive Director, Mid Missouri Legal Services
Julie Clark, NLADA
Michael Genz, Director, Office of Program Performance
Robert Gross, Program Counsel, Office of Program Performance
Doug Kays, Program Director, Legal Aid of S.W. Missouri
Ester Lardent, ABA Pro Bono Committee, SCLAID
Dr. Thomas McWeeney, Center for Strategic Management
Maria Mucciolo, Senior Public Affairs Assistant
Elizabeth Soto-Seelig, Administrative Officer
Justice Richard Titleman, Associate Justice, Missouri State
Carol Honsa, NLADA

C O N T E N T S

	PAGE
Approval of agenda	4
Approval of minutes of board meeting January 28-29, 2000	5
Approval of minutes of Annual Performance Reviews Committee teleconference January 24, 2000	6
Approval of minutes of Board Teleconference November 29, 1999	7
Approval of minutes of Annual Performance Reviews Committee teleconference November 19, 1999	8
Approval of minutes of Provision Committee meeting of November 19, 1999	9
Approval of minutes of Operations and Regulations Committee meeting November 19, 1999	10
Chairman's Report	10
Members' Reports	13
Inspector General's Report	15
President's Report	35
Report on status of strategic planning	44
Review of Corporation's consolidated operating budget, expenses and other funds available through February 29, 2000	88
Consider and act on board's meeting schedule	94
Consider and act on other business	117
Public comment	117
MOTIONS: 5, 6, 7, 8, 8, 9, 10, 99, 100, 121	

1 P R O C E E D I N G S

2 CHAIR EAKELEY: Let me call the meeting to order
3 and say good morning to everyone.

4 You all have the agenda that was included with the
5 materials that were distributed. I've got one change to
6 propose to that agenda and we'll consider others if anyone
7 has them.

8 Item 16 was consider and act on extension of John
9 McKay's contract of employment as president. As you know, we
10 approved the extension of John's contract through October 31,
11 2000 at our last meeting and at my urging, John has also been
12 asked to consider extending that contract for a further year.

13 I have been remiss in coordinating with Victor
14 Fortuno in terms of reducing to writing that first extension
15 and need to do so between now and the next meeting, subject
16 to the board's ratification, and will do so because we have a
17 written obligation under the terms of our current written
18 agreement to do something 21 days before its expiration,
19 which is May, which is next month.

20 So I propose deferring this agenda item until our
21 next board meeting.

1 Subject to that one change, is there a motion to
2 approve the agenda?

3 M O T I O N

4 MR. McCALPIN: So moved.

5 CHAIR EAKELEY: Second?

6 MS. MORGAN BATTLE: Second.

7 CHAIR EAKELEY: All those in favor?

8 (Chorus of ayes.)

9 CHAIR EAKELEY: Opposed?

10 (No response.)

11 CHAIR EAKELEY: The ayes have it. The agenda is
12 modified as approved.

13 You also have in your materials the minutes of the
14 board's meeting of January 28-29, 2000. I noted a few typos
15 plus the misspelling of a few names, including
16 Dr. McWeeney's. I think other than the typographical changes
17 which I will leave with Victor Fortuno -- there is a hyphen
18 and Williams omitted from Ms. Fairbanks-Williams' name on
19 page 11, for example --

20 Are there any other corrections, additions,
21 modifications to the minutes to be made?

1 (No response.)

2 CHAIR EAKELEY: Hearing none and subject to the
3 correction of the typographical errors and I think we also
4 have a name on page 16, the first name of the Chief Justice
5 of the Texas Supreme Court, other than those, are there any
6 other changes to be suggested?

7 (No response.)

8 CHAIR EAKELEY: If not, is there a motion to
9 approve the minutes of the January 28-29, 2000 meeting?

10 M O T I O N

11 MR. McCALPIN: So moved.

12 MS. WATLINGTON: Second.

13 CHAIR EAKELEY: Discussion?

14 (No response.)

15 CHAIR EAKELEY: All those in favor?

16 (Chorus of ayes.)

17 CHAIR EAKELEY: Opposed?

18 (No response.)

19 CHAIR EAKELEY: The ayes have it.

20 We also have the minutes of the annual performance
21 review committee's teleconference of January 24, 2000.

1 Again, any changes or modifications to be made to
2 those minutes?

3 (No response.)

4 CHAIR EAKELEY: Hearing none, is there a motion to
5 approve them?

6 M O T I O N

7 MS. WATLINGTON: So moved.

8 CHAIR EAKELEY: Second? Mr. Smegal?

9 MR. SMEGAL: Second.

10 CHAIR EAKELEY: All those in favor?

11 (Chorus of ayes.)

12 CHAIR EAKELEY: Opposed?

13 (No response.)

14 CHAIR EAKELEY: The ayes have it.

15 Next, approval of the board's teleconference of
16 November 29, 1999. I didn't realize until I read these that
17 we really hadn't picked that up.

18 Those should be -- they're not tabbed, but they are
19 in the second to the last -- I think it starts on page 32 of
20 the meeting materials.

21 Any changes to those minutes?

1 (No response.)

2 CHAIR EAKELEY: Hearing none, is there a motion to
3 approve?

4 M O T I O N

5 MS. MORGAN BATTLE: So moved.

6 CHAIR EAKELEY: Is there a second?

7 MS. WATLINGTON: Second.

8 CHAIR EAKELEY: All those in favor?

9 (Chorus of ayes.)

10 CHAIR EAKELEY: Opposed?

11 (No response.)

12 CHAIR EAKELEY: The ayes have it.

13 Next, we have approval of the minutes of the annual
14 performance review committee's meeting of November 19, 1999.

15 Any changes or corrections?

16 (No response.)

17 CHAIR EAKELEY: Motion to approve?

18 M O T I O N

19 MR. McKAY: So moved.

20 CHAIR EAKELEY: Second?

21 MS. MORGAN BATTLE: Second.

1 CHAIR EAKELEY: All those in favor?

2 (Chorus of ayes.)

3 CHAIR EAKELEY: Opposed?

4 (No response.)

5 CHAIR EAKELEY: The ayes have it.

6 Next is the approval of the minutes of the
7 provisions committee's meeting of November 19, 1999.

8 MS. MORGAN BATTLE: Did we get that far behind?

9 CHAIR EAKELEY: Yes.

10 MS. MORGAN BATTLE: This is incredible. I don't
11 think we've ever had this much to do in a board meeting.

12 M O T I O N

13 MR. McCALPIN: So moved.

14 CHAIR EAKELEY: Second?

15 MS. MERCADO: Second.

16 CHAIR EAKELEY: All those in favor?

17 (Chorus of ayes.)

18 CHAIR EAKELEY: Opposed?

19 (No response.)

20 CHAIR EAKELEY: The ayes have it.

21 Eighth and finally, approval of the minutes of the

1 operations and regulations committee's meeting of November
2 19, 1999.

3 Corrections or modifications?

4 (No response.)

5 CHAIR EAKELEY: If not, motion to approve?

6 M O T I O N

7 MR. ERLENBORN: So moved.

8 MR. McCALPIN: Second.

9 CHAIR EAKELEY: Mr. Erlenborn and second by
10 Mr. McCalpin.

11 All those in favor?

12 (Chorus of ayes.)

13 CHAIR EAKELEY: Opposed?

14 (No response.)

15 CHAIR EAKELEY: The ayes have it.

16 Thank you very much.

17 Now we're on item 9 and chairman's report, which
18 will be brief.

19 Bucky Askew is in Chicago this weekend and
20 unfortunately Justice Broderick has matters of state to
21 attend to at home. I did want to just welcome Maria Luisa

1 back and note for the record how gratified we are at her
2 speedy recovery and her perseverance, notwithstanding a lot
3 of pain.

4 MR. McCALPIN: Some members of the board didn't
5 even know that there was a basis for giving her our best
6 wishes.

7 MR. McKAY: We sent her flowers.

8 MR. McCALPIN: Pardon?

9 MR. McKAY: You sent her flowers.

10 MS. MERCADO: You sent me flowers. Thank you so
11 much.

12 CHAIR EAKELEY: Our communications policy being
13 what it is --

14 MS. MERCADO: I did call John and thank him.

15 CHAIR EAKELEY: We had already acknowledged the
16 presence yesterday at the provisions committee meeting of
17 representatives from the Missouri programs, but we are also
18 honored by the presence of Justice Rick Titleman today and we
19 just want to say welcome back to an old friend.

20 Ester Lardent is here representing SCLAID and Carol
21 Honsa, so again, welcome.

1 A couple of other just notes I wanted to make.

2 First, at the provisions committee meeting
3 yesterday, Ernestine handed out an excerpt from a speech that
4 Randi Youells had given entitled "Ten Tenets of Faith" and I
5 hope everyone had a chance to read it, but I just was
6 impressed and touched by it and just welcomed the tone and
7 the points made and just wanted -- there are many others
8 reasons to commend and salute Randi, but this was just a very
9 nice touch and a very nice sort of -- not a footnote to the
10 meeting, but just a nice articulation of what we're doing it
11 and why we're doing it and what our common commitment is.

12 I thought the provisions committee itself was cause
13 for a sense of encouragement and inspiration and renewed
14 commitment. The report that Bob Gross gave on where we are
15 and are going in state planning, the technology initiatives,
16 the accomplishments and future commitments of the migrant
17 farm workers conference were all just, I thought, positive
18 and represented a great deal of hard work and effort and
19 collaboration that clearly shows.

20 I was really pleased, Ernestine, to be present at
21 your committee's meeting for that purpose.

1 And that is my report, such as it is. Let's just
2 go around the table with other member's reports.

3 John Erlenborn, vice chair?

4 MR. ERLNBORN: Nothing to report.

5 CHAIR EAKELEY: Maria Luisa?

6 MS. MERCADO: Just, Mr. Chairman, last week I was
7 at the Equal Justice conference and I did a panel there and
8 it was really great to see all these different partnerships
9 of people around the country, both in the private sector as
10 well as legal services folks, trying to figure out creative
11 ways of providing more pro bono and therefore more legal
12 services to poor people in this country. So that was
13 certainly a great gathering of folks to be at.

14 CHAIR EAKELEY: LaVeeda?

15 MS. MORGAN BATTLE: I'd like to just also share
16 that I attended a small portion of the Equal Justice
17 conference last weekend in Houston and it was good to get a
18 chance to observe some of the work going on in the field and
19 to be able to listen to people and I've shared some of those
20 thoughts with the president and I think that at least with
21 regard to state planning that there have been a lot of new

1 coalitions around the country of people who are involved in
2 access to justice for the poor.

3 CHAIR EAKELEY: Edna?

4 MS. FAIRBANKS-WILLIAMS: I attended the migrant
5 conference and learned a lot.

6 CHAIR EAKELEY: Are you going to share that with us
7 some time?

8 MR. McCALPIN: That's a very lengthy report.

9 CHAIR EAKELEY: Ernestine?

10 MS. WATLINGTON: I just want to say that in
11 Pennsylvania, the civil rights commission is having their
12 African-American state conference there and Celia Louis
13 Tucker, who I'm sure everyone knows, is going to be one of
14 the guest speakers. And I was just letting you know I'm
15 going to be receiving one of the awards.

16 (Applause.)

17 CHAIR EAKELEY: Congratulations.

18 MS. WATLINGTON: Thank you.

19 CHAIR EAKELEY: Bill McCalpin?

20 MR. McCALPIN: No report.

21 CHAIR EAKELEY: Nancy Rogers?

1 MS. ROGERS: No report.

2 CHAIR EAKELEY: Tom Smegal?

3 MR. SMEGAL: Yes. I also was in Houston for the
4 Equal Justice conference. I serve on the ABA committee that
5 co-sponsored it with NLADA and we've now done that for two
6 years as a joint activity and it is a tremendous success.

7 One of the stars of the show, in my view, each year
8 is when John McKay shows up and wows them. Our president, as
9 he always does, makes an exceptional presentation and he did
10 there also.

11 Other than that, Mr. Chair, I have no report.
12 The weather in Italy was not good.

13 CHAIR EAKELEY: All right. Let's go on to agenda
14 item number 11 and invite the inspector general to come to
15 the --

16 What is that, Joe? I guess we'll just call it a
17 table. I was thinking rostrum, dias, podium, pedestal.

18 MR. QUATREVAUX: Thank you, Mr. Chairman and
19 members of the board.

20 I'm going to deliver a Vermont report. The only
21 item I want to report to you on is the assessment of the 1999

1 case statistical data.

2 The project is on schedule to meet the July 30th
3 reporting deadline. The systems we built to receive and
4 process recipient data worked well. The processes for
5 keeping client names and legal problem codes separate
6 functioned effectively. Grantees were able to submit the
7 data using software queries provided by the case management
8 system vendors, which were funded by the OIG.

9 The on-site phase of the assessment began this week
10 and involves 30 recipients. We've completed visits to four
11 recipients and had no problems whatsoever.

12 And so the sum of it all is that it seems to be
13 working the way we planned and it is on schedule.

14 CHAIR EAKELEY: Any questions?

15 MR. McCALPIN: Ed, I think most of us have received
16 a detailed explanation or description of the process that the
17 Baltimore program proposed for encoding files and names in
18 order to, in their view, avoid the ethical problems that they
19 had. I know that you issued a subpoena in response to that
20 and I wondered why you found that the process that they
21 proposed was not adequate to permit a good enough basis for

1 you to give an assurance of the validity or that there were
2 no duplications in those problems.

3 MR. QUATREVAUX: The process that was proposed does
4 not permit us to independently verify and validate the data
5 and we are required to do that.

6 MR. McCALPIN: I don't understand. How is that
7 different from giving you the names?

8 MR. QUATREVAUX: It's very different. The names
9 are the actual data. We cannot be assured that any sort of
10 indexing system is accurate.

11 MR. McCALPIN: I suppose that mistakes could be
12 made, but there could also be mistakes made in names put on
13 files.

14 MR. QUATREVAUX: Well, that's true, but if we used
15 the proposed method, we would not be able to say with any
16 assurance that whatever findings we have are accurate.

17 MR. McCALPIN: I frankly don't understand why the
18 proposal that they made does not give you a sufficient basis
19 as opposed to giving you the name.

20 MR. QUATREVAUX: Well, we are required to maintain
21 professional skepticism and we can't maintain that skepticism

1 if we allow surrogate systems, aliases and the like.

2 MR. McCALPIN: Well, it seems to me that you are
3 not sensitive to the problems that they have under their law
4 as they understand it in finding an alternative way to give
5 you the basis of assurance that you need and I think -- it
6 doesn't seem to me that you have taken into consideration
7 their problems.

8 MR. QUATREVAUX: Well, we believe that we have. We
9 believe that the grantee has attempted to assert a blanket
10 application of privilege, 8232 cases we were denied the names
11 to. One of the examples used by that grantee to make its
12 point regarding its view of privilege raised the example of
13 domestic abuse cases, problem codes with domestic abuse
14 cases, yet those totaled only 169 cases.

15 MR. McCALPIN: Well, it seems to me that the
16 question is not so much what the cases are as to whether or
17 not you can determine whether there is duplication from the
18 process that they suggested.

19 MR. QUATREVAUX: Duplication is only one of the
20 error types that we're testing for in this assessment. We're
21 testing for all the error types that were uncovered in the

1 prior series of audits. That includes whether or not legal
2 services were provided, whether there's a client name, for
3 example, and we can't do that without receiving the
4 information as we requested it.

5 MR. McCALPIN: Well, I have a hard time
6 understanding your approach and wonder why on any reasonable
7 basis you couldn't go along with what they proposed.

8 MR. QUATREVAUX: I'm sorry. I think you should
9 also consider that the two grantees who have raised privilege
10 have demonstrated serious inaccuracies in their case service
11 reports in the past.

12 MR. McCALPIN: Well, but it seems to me that's
13 irrelevant as to whether or not what they have proposed gives
14 you an adequate basis to determine what you need to
15 determine.

16 MR. QUATREVAUX: Well, we have concluded that we
17 cannot.

18 CHAIR EAKELEY: Any other questions?

19 MS. MERCADO: I was just wondering, in some -- not
20 necessarily your particular CSR data that you're doing, but
21 in other types of statistical analysis or what have you,

1 whenever you have privacy issues, I mean, not necessarily
2 dealing with attorney-client privilege, though, in order to
3 protect the names of the individuals that are being used for
4 a particular survey or a particular study, they use other
5 identifiers, whether it's a numerical identifier or
6 alphabetical identifier, some other identifier, so that that
7 particular individual that is being served, especially like I
8 think of in psychological studies, for example, or child
9 abuse type situations, for example, they use other
10 identifiers that will still show the number of individuals
11 that are involved, but it doesn't give their private name so
12 that people know who they are. And I just wondered why we
13 couldn't have had that kind of an identifier.

14 MR. QUATREVAUX: Well, those have a different
15 objective than the objective we're working with here. We
16 have been directed to assess the accuracy. In order to do
17 that, we have to, because of the types of errors that were
18 found in prior audits, we have to do that.

19 Let me assure you that there has been no
20 commingling of client name and legal problem codes and as
21 soon as the processes are run and the site visits to a

1 particular grantee completed, we will begin destroying the
2 names data. That will not be recorded anywhere.

3 MR. ERLENBORN: Ed, I understand you have to comply
4 with certain standards. Who sets those standards, the GAO or
5 some other organization?

6 MR. QUATREVAUX: Well, it varies, but the
7 Comptroller General's government auditing standards obviously
8 apply to audits. Other standards developed by the
9 President's Council on Integrity and Efficiency have been
10 produced for evaluations and inspections and investigations
11 and they pretty much parallel the Comptroller General's
12 standards.

13 MR. ERLENBORN: Have you submitted this proposal,
14 or two proposals, I guess there were, from the two programs
15 that have not given you the information, to the GAO to get
16 their opinion as to whether it would fit the professional
17 standards?

18 MR. QUATREVAUX: No.

19 MR. ERLENBORN: Would that be a step you could
20 take?

21 MR. QUATREVAUX: It would be extraordinary. I

1 think we --

2 MR. ERLNBORN: They're not prepared to give that
3 kind of guidance?

4 MR. QUATREVAUX: That's right. I think you're
5 right about that. They would probably decline to comment.

6 MR. ERLNBORN: Okay. Thank you.

7 CHAIR EAKELEY: Any other questions?

8 MS. MORGAN BATTLE: I think that you mentioned that
9 you're pretty much on target for the July 30th deadline for
10 being able to respond back and that you've done your sample.

11 I guess I have a question about how the sampling -- how you
12 made a determination as to how to do the sampling. I'd just
13 like some information about that to be able to understand how
14 you made a determination as to which programs would become
15 part of a sample.

16 MR. QUATREVAUX: We tried to reconcile differences
17 between what is desired and what is desired is a national
18 projection of the accuracy. We tried to reconcile that with
19 the very limited amount of time that we have to do this and
20 the limited resources as well.

21 We could have used the simple random selection but

1 it would have required us to go on site to very many
2 grantees, I'm not sure what the number is. Instead, we
3 employed a technique which is known as cluster sampling and I
4 don't know if Eric Kirkland --

5 CHAIR EAKELEY: Eric is here.

6 MR. QUATREVAUX: Why don't you join me for a
7 second.

8 MR. KIRKLAND: My apologies for being late.

9 MR. QUATREVAUX: Eric Kirkland is our assistant IG
10 for evaluation. He is also a specialist in research and
11 methodology.

12 Why don't you take about three or four minutes to
13 describe to the board what sampling methods were used.

14 MR. KIRKLAND: Well, as we looked at the sampling,
15 our over arching consideration was that we were being asked
16 to make a projection as to the accuracy of case service
17 records for the national program.

18 One approach to doing that, as Ed alluded to, would
19 be to take a simple random sample of cases and to help you
20 visualize the notion of cases, assume that we have the case
21 files color coded by grantee and arrayed in a long row. With

1 a simple random selection method, we would pick an
2 appropriate number at random from this extremely wide filing
3 cabinet.

4 I drew such a demonstration sample using simple
5 random sampling methods and it obtained that we would have to
6 visit over 200 -- over 200 -- grantees in a six-week period.
7 Simply infeasible.

8 Therefore, to do sampling in a situation of
9 infeasibility such as this, you have to take a different
10 organizing concept. So if take this concept of a long file,
11 each grantee is color coded, we set about randomizing all of
12 the files.

13 So mathematically, we scattered the million cases
14 by color all through this file. We then set about selecting
15 random cases. When we found our first randomly selected
16 case, we then considered that the centroid of a sampling group
17 and looked at the color and said what grantee is that and we
18 would take a small number from that grantee.

19 This method of two-stage random sampling, first
20 there was a random selection and then a random selection, we
21 are able to only visit 30 grantees and obtain sufficient

1 statistical reliability for our outcomes.

2 CHAIR EAKELEY: Other than the use of the word
3 "centroid" if I understand you correctly, I mean, it was in
4 effect a random sample that was blind in terms of particular
5 programs, geographical regions, urban, suburban, how did you
6 deal with distributional issues?

7 MR. KIRKLAND: No, no. There was no stratification
8 whatsoever, no a priori consideration of we need to go here,
9 there or yonder. We simply selected the case at random from
10 this jumbled up situation. That is, we took all the cases
11 and jumbled them here and jumbled them there and then when we
12 found a case at random, we then looked and said what grantee
13 is that and that determined it.

14 So it was random at two levels: first, the
15 randomization of the grantees, that is, we didn't go from an
16 alphabetized list of grantees' cases, those were randomized,
17 and then as we selected the cases, we took it another stage
18 further. The use of the term "centroid" is consistent with
19 cluster sampling when you have infeasibility of other
20 approaches where you say let's go to 4407 Main Street as our
21 first place and then you go to the nearest neighbors working

1 out in concentric circles.

2 Well, we didn't do that. Instead, when we found
3 our centroid, we then did a simple random sample at the level
4 of the grantee, which further jumbled the matter. So we had
5 a two-level randomization.

6 CHAIR EAKELEY: I'm going to try to work that into
7 my daily working vocabulary, centroid.

8 MR. KIRKLAND: It's a good word.

9 CHAIR EAKELEY: You had a follow-up question?

10 MS. MORGAN BATTLE: Yes, I did have a follow-up
11 question. And this is just a question so that I can
12 understand.

13 If it appeared that out of that sampling, if you
14 had 256 programs, and I don't know what the total number of
15 programs --

16 MR. QUATREVAUX: 237.

17 MR. KIRKLAND: 237.

18 MS. MORGAN BATTLE: 237 that you had? And you said
19 you'd have to go to 200 if you did a simple sampling out of
20 237, that's a pretty --

21 MR. KIRKLAND: Simple random sampling --

1 CHAIR EAKELEY: Of cases.

2 MR. KIRKLAND: -- of cases.

3 CHAIR EAKELEY: Not programs.

4 MR. KIRKLAND: We're interested in the cases and
5 not the programs.

6 MS. MORGAN BATTLE: Sure. If it turned out that
7 out of your sample the programs that were headed by either
8 minority executive directors or women was disproportionate in
9 your number, did you take a look at that at all?

10 MR. QUATREVAUX: We took a look at it only after
11 being advised that you had a concern in that area.

12 MS. MORGAN BATTLE: Yes. What did you find after
13 you took a look at it?

14 MR. QUATREVAUX: Well, I'd like to first establish
15 just what it is we're discussing. If I can understand your
16 concern, I think I can better respond to it.

17 What is the concern?

18 MS. MORGAN BATTLE: My question is whether if
19 you're doing a statistical sampling if after you got your
20 sample you look a look to see whether the programs whose
21 cases were targeted were programs that were headed by either

1 people of color or women in a disproportionate number out of
2 the total number of programs that were available, if that was
3 something that you took a look.

4 MR. QUATREVAUX: No, we would never do that because
5 that's not an item of interest, nor is geography. We depend
6 on this randomization to produce a sample that's truly random
7 and truly representative of the population from which it's
8 drawn.

9 Now, having been made aware of your concern, we did
10 learn -- we had to go scratching for it but the corporation
11 actually had such data and an analysis was conducted
12 yesterday and the sample that was drawn, as we expected, is
13 entirely representative. There is no statistically
14 significant difference. In actual terms, this sample under
15 represents minorities as compared to the population of legal
16 services grantees.

17 MS. MORGAN BATTLE: So one-third of the programs
18 are headed by minorities -- I think at least -- maybe the
19 information I got was inaccurate, but nine out of the thirty
20 in the smaller sample were headed by minority executive
21 directors and that would be one-third at least in the first

1 sampling and so then if you're right, then statistically
2 within some error of measure one-third of the total sample
3 would be headed by minority directors and they're not.

4 MR. QUATREVAUX: What numbers are you working with
5 for the population that you think this is a departure from?

6 MS. MORGAN BATTLE: You talked about 30 in the
7 first data call and I just -- in just looking at that, that
8 was where the question arose and I really need to get the
9 actual information from you because I don't have that, but I
10 wanted to just make sure -- and I understand that you're
11 doing this from a statistical standpoint of view, but if
12 there is an issue that arises, I just want to know whether or
13 not it was addressed.

14 MR. QUATREVAUX: I'll let Mr. Kirkland give you
15 those numbers. I'm surprised that we would have this
16 discussion without knowledge of the population from which the
17 sample was drawn.

18 MR. KIRKLAND: Let me say that until April 13th, I
19 had no personal knowledge of the sex or ethnicity of any of
20 the executive directors of the programs. However, based on
21 the direction of Mr. Quatrevaux, I conducted an analysis

1 yesterday and I find that with respect to ethnicity, using
2 very simple chi-square technique, that it is insignificant,
3 our sample of 30, relative to the population of grantees.

4 Now, a freshman mistake that you often see in
5 sampling is that people will pull a sample and then set them
6 over here and then say, well, is the population different
7 from the sample, not taking into account that they have just
8 removed some group from the population. So you have to keep
9 the sample represented in the population to keep the
10 population representative.

11 MS. MORGAN BATTLE: I don't have any disagreement
12 with that.

13 MR. KIRKLAND: But with respect to data call 1,
14 your term was, I believe, non-white individuals, there are 11
15 who are not classifying themselves as white --

16 MS. MORGAN BATTLE: Out of the 30 in the data call?

17 MR. KIRKLAND: Out of the 30.

18 MS. MORGAN BATTLE: Okay.

19 MR. KIRKLAND: And that is statistically
20 insignificant, statistically insignificant. With data call
21 2, the 60, there are a total of 15 non-white, so there are 45

1 white and 15 non-white at data call 2, which is also
2 statistically insignificant with respect to ethnicity.

3 MS. MORGAN BATTLE: Okay. If you look at -- if
4 you'll just give me the other information then maybe that
5 will help me to understand. What is the total --

6 MR. KIRKLAND: What is the other information?

7 MS. MORGAN BATTLE: Right.

8 CHAIR EAKELEY: Well, what I was going to suggest
9 is maybe proposing that you all confer after the meeting.
10 How much more do you want to pursue this?

11 MS. MORGAN BATTLE: Just one more piece.

12 MS. MERCADO: Just one more piece of information.
13 What's the total minority out of the 237 grantees? It's real
14 simple. Is it a third of them? No, it's not.

15 MR. KIRKLAND: I haven't calculated proportional
16 representation of minorities and non-minorities in the
17 grantees. You could derive those figures, but I was charged
18 with determining whether there was a statistically
19 significant difference, which I've established there is no
20 statistically significant difference with respect to race.
21 Likewise, there is no statistically significant difference

1 with respect to sex, either with data call 1 or with data
2 call 2. The simple notion of percentages, although appealing
3 on the face of it, is statistically irrelevant.

4 MS. MERCADO: So your sampling wouldn't show that a
5 third of the total grantees would be non-white directors? I
6 mean, it doesn't equal?

7 MR. KIRKLAND: No.

8 MS. MERCADO: The sampling does not equal?

9 MR. QUATREVAUX: No. It's less than that.

10 MR. KIRKLAND: No. We did not do stratified --

11 MS. MERCADO: Maybe I'm not understanding your
12 sampling.

13 MR. KIRKLAND: We did not do stratified sampling.
14 You're taking the approach of saying, gee, we ought to have
15 done something different than we in fact did. I've tried to
16 explain what we did.

17 MS. MORGAN BATTLE: No, I understand what you did.

18 All I'm saying is that after you've done it, when you take a
19 look at it to determine whether or not there's going to be
20 any disproportionality in the way that you conduct your
21 actual random work, at that point in time, once you took a

1 look at the programs that you had to go out to, did you
2 determine whether that random approach created a problem for
3 which you needed to go back and look at another way to make
4 sure that you stratified the group and looked at programs in
5 a way that wouldn't have a disproportionate impact on any
6 particular group? That's all. That's my question.

7 MR. QUATREVAUX: Well, the numbers that I'm looking
8 at here suggest that recipient executive directors as a whole
9 constitute -- in the category shown in white of 181. That
10 only leaves 19 and 37, 56; 56 is less than a third of 237.

11 CHAIR EAKELEY: Let's not get into a statistical
12 sampling debate here. I mean, I think that there's probably
13 some more follow-up questions and I think that maybe if you
14 could explore or explain how the two differ and why it's
15 statistically significant after the meeting, that might do
16 it.

17 MR. ERLNBORN: Mr. Chairman, I think there's one
18 point before we leave this that ought to be made and that is
19 am I correct in my understanding that no program will be
20 identified in your final report and no judgments will be made
21 about the accuracy of the data from any particular program?

1 MR. QUATREVAUX: That's correct. There will be a
2 listing of grantees who participated, but there will not be
3 any results associated with them or reports written.

4 MR. ERLNBORN: And under that circumstance, no
5 one, regardless of their ethnicity, can be damaged.

6 MR. QUATREVAUX: Yes.

7 MR. ERLNBORN: No program can be disadvantaged.

8 MR. QUATREVAUX: That's correct.

9 MR. ERLNBORN: Thank you.

10 MR. QUATREVAUX: Because what we'll produce is an
11 assessment on the system in total.

12 MR. ERLNBORN: Right.

13 CHAIR EAKELEY: I don't want to cut it off
14 entirely, but I have this strong urge to move to the next
15 agenda item, if I can secure consent.

16 Anything else?

17 (No response.)

18 CHAIR EAKELEY: All right. Thank you very much.

19 Next, the president's report. Actually, you know,
20 there's -- okay. The president's report.

21 MR. McKAY: Thank you, Mr. Chairman. I'm not sure

1 I can quite give a Vermont report, but I'll try to be more
2 like Connecticut than New York.

3 I'm happy to report that since we last met, along
4 with Vice Chairman John Erlenborn we did have, I think, an
5 excellent hearing before the House Subcommittee on
6 Appropriations. The transcripts are available, I think, for
7 board members, but I think that all involved were pleased
8 with the reception that we received there, the questions that
9 were asked. I wanted to highlight a couple.

10 There was a great deal of interest in technology
11 and in our plans with regard to the funds that we received
12 under the prior fiscal year and how we intend to pursue
13 those. The provisions committee received a report yesterday
14 from our staff on that, but there is significant interest on
15 Capitol Hill, as there should be, and I am very pleased with
16 the progress that we have made.

17 It was very clear from members on the
18 appropriations subcommittee itself that the question of the
19 accuracy of our CSR data which you just heard a significant
20 report from the inspector general is a bipartisan concern.

21 That may not have been as clear in the

1 appropriations committee hearing in the prior year; it was
2 made very clear in this hearing by members from both
3 political parties and the emphasis was laid pretty heavily to
4 us that this is an issue that the Congress expects us, all of
5 us as the corporation, to address and did indicate that they
6 were pleased with the progress that we made.

7 In fact, at least one critic in the prior year
8 commended us for the progress that we were making and I think
9 the board should take that as an accomplishment and I
10 certainly do.

11 I wanted to report to you quickly that we did see
12 the departure of Joan Kennedy, who left our staff. We're
13 very sorry to see her go. I wanted to report to the board
14 that we have an interim personnel director, Alice Dickerson,
15 who has previously been with the corporation, and she's doing
16 a very good job and is reporting directly to Jim Hogan. She
17 is experienced and she is familiar with the corporation and I
18 wanted to let you know that that is proceeding apace.

19 You've already received a report on the migrant
20 conference and before the board I wanted to indicate that we
21 are preparing to move forward. In fact, I think that our

1 prospective co-chairs of the client participation conference
2 which we hope to run next spring have already been planning
3 how we're going to do that for us, so I wanted to thank Edna
4 and Ernestine for their work already as we begin to put that
5 report together.

6 In addition to the NLADA/ABA pro bono conference in
7 Houston and the topics itself, a number of us did visit the
8 Gulf Coast program in Houston, along with fellow board member
9 Maria Luisa Mercado. We received a very good presentation by
10 that program, had an opportunity to interact with their
11 staff.

12 I want to thank Maria for coming with us and
13 helping us make those contacts. Again, very useful for us,
14 even in the short -- we didn't have a lot of time with the
15 program, as much as we would have liked, but even that
16 contact is very useful to us, to meet the leadership and
17 individual staff attorneys.

18 I was able to make along with Randi Youells and Ann
19 Tu a more detailed visit with substantially more time with
20 program staff and several program stakeholders in central
21 California that I wanted to report to you. We visited over

1 about a four-day period of time four out of the five current
2 programs in central California, including Fresno, which is
3 the Central California Legal Services, the program in
4 Bakersfield, one of the principal offices of CRLA and the
5 Channel Counties program in Oxnard and Santa Barbara and I
6 wanted to report to you how pleased we are with the
7 consortium that they have created there.

8 The work that they are doing in central California
9 to develop a comprehensive, integrated legal services system
10 which heavily involves stakeholders, which greatly emphasizes
11 the integration of those programs and the work that they do.

12 In that particular series of visits, Randi and I
13 and Ann were able to meet more directly with staff and to
14 interact with them on a more detailed basis and I think all
15 of us were grateful for that opportunity and I want to really
16 commend Ann Tu, who has spent a tremendous amount of time in
17 a very important state in California and it's just obvious in
18 meeting with project directors and staff that Ann has become
19 a really valued partner there, operating on our behalf to
20 work with programs and to help them design the best possible
21 legal services system. And that is really state planning at

1 work.

2 Both Randi and I were pleased to be in California,
3 because in the end we have to make decisions about service
4 areas and about grants and I know Randi was pleased to go and
5 I wanted to report to you how productive that was.

6 This is the kind of outreach that we're trying to
7 establish in state planning, that this is on the ground,
8 direct contact work with experienced staff who understand
9 programs. But we've got to increase that kind of
10 communication so that actions we take are not seen as actions
11 taken from afar. We want to be their partners in state
12 planning and I think we're getting there.

13 We are certainly not perfect in every place, but we
14 are pledged not to make decisions about state planning that
15 don't involve a high degree of cooperation and a very high
16 degree of communication and understanding between our staff
17 and the programs themselves and their prospective
18 stakeholders in each state.

19 That, I think, is my report, Mr. Chairman.

20 Thank you.

21 CHAIR EAKELEY: One thing we might want to mention

1 is that we hope to have for the next board meeting proposals
2 to approach regulatory reform and overburden, as well as an
3 evaluation or assessment of restrictions and consequences for
4 clients. And those will be separate proposals, but I think
5 that there will be a joint set of proposals in both
6 categories for our next board meeting for action. By action,
7 I mean to set up the process, not to approve the outcome.

8 MR. MCKAY: Well, Mr. Chairman, that's correct. We
9 have a direct call on all of us, we've put it upon ourselves,
10 the board has done that, in adopting strategic directions.
11 And you're right, those are two elements that are clearly
12 required in strategic directions.

13 With respect to restrictions, I want to emphasize
14 that the approach that we are taking with guidance from the
15 board is to develop a time table and a structure which will
16 allow LSC as the agency responsible for administering the
17 statutes a report on some of the restrictions as to their
18 impact on our program and on our field programs and, finally
19 and most importantly, on our clients. And that we would be
20 in a position to do that and it is our intention to bring the
21 board forward a proposal to accomplish that in June.

1 CHAIR EAKELEY: Any questions of John McKay?

2 (No response.)

3 CHAIR EAKELEY: Hearing none, I do want to --
4 actually, this is really, John, an extension of your report,
5 but let's welcome back Tom McWeeney, who has not forgotten us
6 since Austin and, as he threatened at the time, the strategic
7 directions adopted by the board was an evolving document and
8 process and I think that what is coming up in the next
9 segment of our meeting is a description of some of the
10 evolution of that process since we last met. So let me just
11 welcome Dr. McWeeney.

12 John, I don't know how you want to introduce this
13 or do we just let Tom launch?

14 MR. McKAY: Well, Tom launches very well and we're
15 going to just ask him to begin. We want this to be -- it
16 will not belong, but we want it to be an interactive process
17 with all board members and we will just handle it that way.

18 A lot of this will look familiar to you, but we
19 hope it shows our intentions to proceed on implementation and
20 I am going to turn this over to Tom.

21 I want to apologize to people sitting in the

1 audience, we've turned the screen this way, and I would just
2 invite you to step around if you can't see it.

3 CHAIR EAKELEY: Come look over our shoulders here.
4 There's no reason not to see the screen.

5 MR. McKAY: We won't be here too long, but we will
6 move through this presentation and encourage board members to
7 interrupt at any time that they have any questions in our
8 presentation.

9 Tom, do you want to go ahead and get started?

10 MR. McWEENEY: Sure. Thank you.

11 MR. McKAY: Thank you for being here.

12 MR. McWEENEY: Thank you very much. I appreciate
13 coming here. I want to be as brief as I can because I know
14 we do have a time issue and I'll try to stand near the
15 microphone and run this machine at the same time.

16 What I'm going to try to talk to you about today is
17 sort of the implementation approach that we're taking to
18 this. As we ended up Austin saying, you've got a wonderful
19 document, as it stands now it's a poem unless it has
20 consequences and causes things to happen.

21 The reason why things don't happen usually after

1 plans are made is because they're not structured, we don't
2 know precisely what the steps are, but most importantly, and
3 I honestly believe your role here is critical and I think it
4 is a benchmark for all public sector programs, is it needs an
5 oversight. It needs a repeated look at the implementation
6 plan. Not a repeated look at the ideas, but how are we
7 pulling it off, because you're not going to pull it off
8 precisely the way you intend to.

9 Life says that as you take certain steps you're
10 going to find obstacles that you couldn't conceive. What
11 successful organizations do is they have a process by which
12 we look in periodically, every 60 days, what do we have in
13 mind, what are we trying to do, what didn't we do right and
14 make adjustments.

15 And this form is probably one of the best I've seen
16 to do that, so what I would like to do today is begin very
17 briefly to talk you through the implementation approach, the
18 issues, the things that legal services staff has worked with,
19 to say these are the kind of things we're trying to
20 accomplish and work towards and set up a process by which on
21 an ongoing, periodic basis progress against this stuff is

1 briefed and discussed and then talked through. And that's
2 really what I hope to do today in the next half hour or 45
3 minutes.

4 Again, a starting point, and I could make these
5 available for the record, if you need the text, it's just a
6 repetition. These are the strategic goals that were approved
7 in Austin, increase access and to be sure that eligible
8 clients are receiving appropriate and high quality legal
9 assistance. This is where we left off in Austin.

10 We also left off in Austin with a series of
11 anticipated outcomes. These are the things, and this is the
12 stuff you debated and talked about, we don't need to go
13 through them here, but these are the things that are going to
14 determine success of the program.

15 A big piece of that first part was what does
16 success look like and it's increased number of clients,
17 expanded relevancy of the system to the most pressing needs
18 of low income clients, it's the increased perception among
19 individuals that they have recourse in the judicial system,
20 increased public perception that the legal justice system is
21 successful in providing equal justice, and extensive federal

1 funding and other areas of public and private resources.

2 This was the success piece that was supposed to get
3 us outcomes. I'm just reviewing where we left off in Austin.

4 This is cut and paste from the plan. I will put that in the
5 record.

6 The next goal was ensuring quality through an
7 extended range and improvement of the quality of services
8 provided by the program for greater consistency in the
9 program, and significant beneficial results for low income
10 clients as determined by outcome measurements. This is the
11 task. These are nice words, but we've got to make it happen
12 and that's what we're trying to talk about here.

13 And, again, let me reemphasize what the chairman
14 said. This is an evolving process because as you get into
15 this stuff you start understanding what the real issues and
16 obstacles as far as quality and access are, so we expect this
17 to be a journey over the next year before we really
18 understand precisely the kinds of things we've got to put in
19 place and what we have to watch.

20 And I would expect to be comfortable with the
21 notion that the whole charge of implementation, what we're

1 talking about are the management actions -- by management I
2 mean management at all levels, at the corporate level, at the
3 program level -- the actions that are required to achieve the
4 outcomes, we're going to drop down a level, start talking
5 about what are the kinds of things we're looking to see
6 happen throughout the organization.

7 And we've basically put together -- I call this a
8 logic model in which the impact we're seeking, which is the
9 improved circumstances, enhanced trust and confidence from
10 the clients we serve, is delivery through increased access
11 and enhanced quality, but the way of getting there -- and
12 this is what we approved in Austin -- was three sort of
13 executive strategies dealing with executive management -- I'm
14 going to refer to project management, case management system
15 and organizational issues, the prism, what we said are the
16 state planning initiatives by which we cause this stuff to
17 happen, this is critical implementation strategy, and then a
18 whole series of accountability initiatives were deemed
19 critical in Austin to make this work. And the staff has been
20 working at putting some meat on these bones over the past
21 couple of weeks.

1 Again, the ideas behind those three paths, the
2 executive management meant we've got to have a stronger
3 corporation. Plans don't happen because they're written.
4 Plans mean something different has to happen. Therefore,
5 there has to be an entity that can cause something different
6 to happen and therefore you need a stronger organization to
7 do that.

8 And so we're talking about the kinds of things that
9 the corporation has to begin putting in place to ensure that
10 we're going to expand access and we're going to take steps to
11 understand the impact of what we're doing. That's a piece of
12 that. Again, that was verbatim in the plan that was approved
13 in Austin.

14 The state planning piece is the piece by which
15 we're going to look at expanded access and improved delivery
16 of services and the accountability piece is how we're going
17 to know that we're doing the right things and how we're going
18 to assess our ability to cause the right thing to happen.

19 Executive management, our starting point is that
20 we're looking at three things that are going to be the
21 responsibility of the president of LSC to ensure that this

1 thing gets jump started and kicked off.

2 A much better sense of project management. Most
3 organizations have stuff going in a variety of directions,
4 but at any one point in time with pressures of the day, fires
5 of the day, it's very difficult to assess where they are on
6 every issue.

7 The president has said in his office is going to be
8 the responsibility to do a periodic, biweekly assessment of
9 what we're trying to do, what's in the way, and where we are.

10 I'm going to show you in a second how that works.

11 We're talking about a case management system which
12 will be broadly defined right now, but some ability to both
13 fulfill the responsibilities of reporting to the Congress as
14 well as our program responsibilities of understanding what's
15 going on so we can make assessments as to whether things are
16 good, bad, on target. That's a critical piece of this policy
17 right now.

18 And then, finally, to make all that work, an
19 organization has to be focused, has to be energized, has to
20 be working usually to make a plan work at a higher level of
21 capability than it currently is and so there's some

1 organizational issues that the corporation is going to be
2 involved in to put forward their executive management agenda.

3 Now, let me give you, if I might, a brief example
4 of what we mean by project management. I know this is going
5 to be a little bit difficult to see, but I want to give you
6 an idea of the approach that the president has agreed to
7 take.

8 This is just a very basic piece of project
9 management software. It's Microsoft Project. What the staff
10 is doing right now, and it's about ten days from completion,
11 is trying to identify all of the critical actions that are
12 going to be required to cause the executive management and
13 the state planning program accountability piece to happen.

14 This particular piece of software, the program, is
15 a manual piece that has some automation to say we're
16 identifying the actions, we're clearly identifying the
17 responsible party, we're going to fix some serious due dates
18 and then we're going to, on a biweekly basis inside the
19 corporation and periodically as you approve outside the
20 corporation, review our status by simply saying very simply
21 it's green, everything is great, it's yellow, we've got some

1 issues, or it's red, we've got some problems and it's not
2 moving.

3 And the purpose of project management is to say
4 when you have a problem try to understand why you have a
5 problem and to identify the actions that must be taken to
6 overcome that problem. This is going to be an ongoing,
7 biweekly operation in the corporation and it will take this
8 piece and will go down to all the actions. It's very simple.

9 The way software works is to simply take something like
10 executive management and break it into its component parts,
11 we're able to assist individually project management, case
12 management, performance pilots, and give a status every week
13 where are we, is it working, if not, why not.

14 We can do the same with the state planning
15 imitative by breaking it into things like -- as I'll talk
16 about in a second, the detailed pieces of this, planning and
17 infrastructure, implementation of special projects. You can
18 break these even further down into the kinds of things that
19 we're looking at, the states we're looking at. And we intend
20 to have an ongoing discussion of where we are.

21 In an office like this where people are busy and

1 there are fires, you need a process to keep it focused. This
2 will be the corporation's process and the report to the board
3 will be driven by this process on a biweekly basis just for
4 oversight.

5 It can go down as micro as it has to. We'll keep
6 this at an executive level for your briefing, but it allows
7 us to do something like -- on program accountability when you
8 want to see that it's red and we've got problems and you go
9 down and you see the red is because the compliance audits
10 which were expected to kick off in FY 2001 are totally
11 dependent on funding from the Congress to do it, if that
12 doesn't happen, all the goals associated with program
13 accountability can't happen. If this doesn't happen, we're
14 going to have a hard time meeting the strategic goals, this
15 is how you present this to Congress, that this causes this to
16 be red, that causes the whole plan to be red and we've got a
17 problem. But it focuses the dialogue and that's a critical
18 piece of implementing any program.

19 So we're taking this from a generic we're doing a
20 good job to a specific assessment of all the pieces and how
21 we're doing it which becomes the public policy.

1 CHAIR EAKELEY: Two other just quick footnotes on
2 that, Tom. It also helps management remember to come back to
3 the board at each board meeting with the board's priorities
4 and a report on how well or badly the board's priorities are
5 being advanced and, secondly, I think it helps just track
6 that evolution within the organization as well so that you
7 don't lose sight of the forest for the trees.

8 MR. McWEENEY: From my perspective, where this is
9 working, agencies are making progress because this happens,
10 this requires candor, honesty about where we are, honesty
11 about what's in the way, and honesty about what has to happen
12 to turn it around.

13 CHAIR EAKELEY: For example, when we say where is
14 the new case management system that will replace the CSR
15 system, which we've been asking for 18 months, we will have a
16 little bit more information next time.

17 MR. McWEENEY: We were supposed to have a proposal
18 in by March 1st and we didn't and the reason for that might
19 be this, but it's --

20 CHAIR EAKELEY: But this is geared to our
21 priorities going forward, among other things. But that's

1 because it's derived from the strategic directions.

2 MR. MCWEENEY: Can I make one point about this,
3 though? It's important for this to work, that on the front
4 end we don't look at it as a gotcha list, you made a mistake
5 and I caught you and boom. Somebody shouldn't initially get
6 whacked for this unless it is assumed that it is truly
7 because of malfeasance.

8 It is not equivalent to what an inspector general
9 does, it's a why didn't this happen and what can we put in
10 place -- it doesn't get into those kinds of issues of
11 non-compliance, it gets into what can be put in place to make
12 it work by the next time.

13 CHAIR EAKELEY: I interrupted you. Sorry.

14 MR. MCWEENEY: The next piece that I want to talk
15 about is the case management system and that is a broadly
16 defined term right now. We're talking about a couple of
17 things that have to happen from the corporation and I suspect
18 this will be an evolving discussion as well over time.

19 We're talking about from the corporation's
20 perspective two distinct things have to happen in the
21 relatively near term.

1 Number one, I don't think, again, I've been saying
2 this since we started, anybody wants to go into the end of
3 this year with the same kind of report to Congress, with the
4 same kind of uncertainties, with the same kind of lack of
5 knowledge. It's difficult for a variety of reasons and it
6 impacts on the credibility and integrity of the program.

7 Now, a lot of those problems go to the heart of
8 what the IG is talking about and we're not going there.
9 We're not going to issues of integrity and reporting, but
10 we're saying it is possible for the near term to design a new
11 report based on the data that we have, based on the data and
12 the systems that we have, looking through what would be a
13 useful report and looking to see the data that exists and
14 using some technological approaches called data mining to say
15 that we can take the existing data, it doesn't get down into
16 the identity issue, and just say we can array it in a way
17 that probably shows more than just a case, that probably
18 shows perhaps the type of case, we can probably account for
19 things like matters, if you want.

20 Essentially, my view here is that we should be able
21 to account for the funding that Congress is giving by saying

1 here's the kinds of activities that make up the funding,
2 without getting dramatically into any kind of a new system
3 and that's an important piece of this, is you've changed the
4 subject by giving a different report next time, make it look
5 different, make it be more relevant, make it talk to the
6 kinds of things you're working to do, describe a variety of
7 activities, not just cases, and begin to show some
8 improvement.

9 And the problem is the case manager system takes a
10 long time, we're suggesting as an interim step that says
11 paint a better picture right away with existing data,
12 existing systems, no additional work on the part of the PO,
13 use our data to show it differently, more meaningful, the
14 assistance to the client.

15 So we are suggesting at stage one is do something
16 this year to make it look different.

17 CHAIR EAKELEY: Not just make it look different. I
18 mean, it's not just an appearance issue, it's communicating
19 more relevant information drawing upon what is already in
20 individual program systems and data.

21 MR. McWEENEY: Types of cases, substantial

1 litigation. Advice, technical assistance, web sites, intake,
2 some way of gathering that in a way that's going to show
3 truly the kind of work that goes on in an office. And that's
4 something that we believe we can do technologically without
5 disrupting or changing anything going on in the field right
6 now. And I'll get back to that in a second.

7 The second piece is a serious effort to get into a
8 case management system which we believe requires performance
9 pilots to do that. We have to get on the ground, working
10 with the programs to understand from the state client
11 perspective what the outcomes look like, what the activities
12 that work toward the outcomes look like in some sense of just
13 tracking that ability. That is the development of a new
14 system and that's going to take some time.

15 We'd like to get that going this year and while
16 we're developing that we'll begin showing progress to the
17 Congress by saying with respect to what we already have we've
18 taken the first step with a modified report; beginning in
19 2001, 2002, we're going to actually have a qualitatively
20 different type of data.

21 Let me just go down quickly what our current

1 thinking is on this.

2 This is the kind of thing that changes when you get
3 into it and we're supposed to go to the field in about a week
4 or ten days, I believe, Randi, and begin to talk through this
5 but our initial approach is it starts by visiting a few
6 programs and getting a sense of what a prototype case file
7 looks like, make some generalization of what we think we can
8 see and have in almost every office and from that, look at
9 five to ten offices to get a sense of how relevant or valid
10 that is and begin drafting what we call interim reports,
11 draft reports.

12 With the data that we think we have, we can produce
13 this kind of information to Congress and as we have a draft
14 report that comes back, we'll look at it, we won't wait until
15 October, November, December, we're talking about July, July,
16 to look at what a different report might look like and what
17 it might say based on our ability to look at the field and
18 see what information is available to transfer.

19 We present that back to the board and say this is
20 the report we're planning to produce and if you like it, you
21 can set in motion a process of collecting the data across the

1 board to get you this interim report.

2 This is what we're calling phase one of the pilot,
3 phase one of the issue, and it's a thing that we're going to
4 be moving out in about two weeks to begin looking at this
5 prototype file.

6 If we're successful, the approved end report gives
7 us some sense in which we can speak to the extent to which
8 we're in compliance with regulations, that we have a much
9 more accurate count of cases, matters, and that we can begin
10 talking about perhaps the type of cases and matters that
11 we're dealing with.

12 This is information that will be so new in the
13 presentation that I do believe it could change the subject
14 from what you've been talking about with Congress to the
15 kinds of work you're trying to do and the whole effort is
16 here to change the subject, is to start having them and you
17 talk more about the important issues that are going on in the
18 field, specifically, how is the program working and how is
19 our ability to cause this change to happen, than the kinds of
20 defensive responses you've had in the past and that happens
21 when you start saying here's what we know has happened.

1 MR. McCALPIN: Have you made any determination of
2 the burden on those ten programs of doing what you propose?

3 MR. McWEENEY: I'd be foolish if I said there's
4 going to be none, that's why we're going out there to see
5 first. This is a suggestion.

6 My sense is that there is virtually no burden
7 because what we're talking about is a data warehouse, data
8 mining capacity. It's a technical frame which just means
9 list whatever electronic form they have, and that's what
10 we're looking for from the programs who would like to
11 participate in this sort of pilot.

12 We think we have the technical capacity to take
13 that information into a format and in this process we're
14 using one of the top technology firms in the government, MRJ
15 Technologies, who is working at a high level, state level,
16 and with the federal Justice Department, that what it does is
17 it takes information in one format and jumbles it up and puts
18 it in another format without any user intervention. And we
19 want to test that.

20 We want to test that approach at a couple of them
21 and see if it works. So that's why we're saying the first

1 piece of this is if the technology works we should be able to
2 go to an office that's electronically sound, let them try
3 their data, let them look at it and see if we can make that
4 transition. The folks who we're talking to about this say
5 this is no brainer technology, it's not an issue, so we said
6 let's try it.

7 MR. McKAY: We've had several volunteers, based on
8 our dialogue directly with field programs on CSRs.

9 CHAIR EAKELEY: But accountability does have some
10 costs and the question is -- but that first determined cost
11 and difficulty of creating the report, I mean, that will
12 clearly be -- has to be taken into consideration.

13 MS. MERCADO: Dr. McWeeney, when you're already
14 looking at the existing data that some of these programs
15 have, one of the things that I was looking at, when you're
16 looking at the type of cases and trying to analyze the kind
17 of time that they spend, you know, if you're comparing a
18 landlord/tenant case, a foreclosure, eviction type thing,
19 versus a fair housing litigation that they might take
20 somewhere else, even though they're both housing cases, the
21 time required and the complexity of the cases are totally

1 different.

2 And so how do you -- if you're looking at what they
3 already have identified in their current computerized data
4 collection, they just have a name as a case, and then looking
5 at the amount of time the lawyers and paralegals and staff of
6 legal services are doing to represent that client, you know,
7 in one case they may have spent 10 hours; in another case,
8 they have spent 80 hours.

9 How do you compare when you're only gathering data
10 that exists and not looking at substantively the kind of time
11 that they have spent on those cases to see whether a case in
12 this case equals a case in that case? How do you do that
13 comparative analysis?

14 MR. McWEENEY: Let me give you two answers.

15 MS. MERCADO: Okay.

16 MR. McWEENEY: We're talking here about an interim,
17 one-year system, a one-year bridge. To deal with the burden
18 issue, but to also cause something different with the
19 Congress, so we're going to do the best we can do. So maybe
20 we can't do that, but we've been told to talk to the people,
21 that there is a lot information -- see, I don't know because

1 I haven't seen it. Step one is go look.

2 I've been told that there is, by our technology
3 folks, there is a lot of data besides the case file that
4 plays into this and in several offices there may be a sense
5 in which that information exists in a variety of formats that
6 can come into a system and make the linkages. I don't know
7 if that's true or not. That's why we're calling it a
8 prototype.

9 The first step is to come back to you at the next
10 meeting and say here's what the prototype looks like, here's
11 what we can do. But until we go out there, we don't know.

12 And so I agree, that would be a wonderful way to
13 capture it. It's certainly going to be part of the final
14 bill, but we're talking about doing the best we can in the
15 next year to show good faith that we're making some
16 difference and good faith that we're asking the right
17 questions. And if we can't, we can't. We might not be able
18 to do it. We're certainly going to try.

19 That's why we're bringing, I believe, the best
20 company available for this stuff, a company that specializes
21 in performance, data mining and data warehousing to do it.

1 And what we're talking about in the case management
2 for 2000 and beyond is dependent on a significant series of
3 performance pilots in which we start talking at the program
4 level, the state planning level, outcomes that you're looking
5 for are based on the assumption that work you want the legal
6 services programs to deliver in their area and so we have to
7 be able to set up the case management system and say here's
8 what the legal services issues are, here's what we're trying
9 to accomplish, here are the specific strategies in mind, here
10 are the kind of cases we're working, here's how it all ties
11 together.

12 That's work. That's leg work. That's down in the
13 field. And we're talking about putting a team together,
14 again, to start this year with a handful, four or five,
15 performance pilots to begin building a notion of what this
16 thing might look like.

17 And, again, this company that I deal with
18 extensively I believe is the best in the government at doing
19 that and we're talking about a two-week period of time in
20 which we're ready to go, within two to four weeks we'll
21 actually be able to get out there and begin this process.

1 But the idea is to use the pilots to identify the
2 legal services issues, to develop program plans that link
3 those services to the outcomes. Why are we doing technology?
4 What are we trying to get out of it? Is technology relevant
5 to the problems in Alabama? Right now, I don't know. I
6 don't know.

7 We've had this discussion. Maybe, maybe not.
8 Maybe it's a different kind of legal services relevant there.

9 But you want the problems in Alabama to track to the legal
10 services approach that we're delivering and you want that to
11 be part of the state planning process and then dealing with
12 the kinds of issues you've got to overcome. Whether it's
13 more pro bono work or different kinds of technology or
14 something, it starts with what problems are we trying to
15 solve.

16 And that's the piece that state planning gets you
17 and that's the piece that these performance pilots are going
18 to try and deliver for all of us in a very vivid picture of
19 what we're trying to do on a state-by-state,
20 program-by-program basis. That's the only way I know how to
21 assess success.

1 You don't assess success by showing how many cases,
2 how fewer cases. It's did we solve the problem. We've got a
3 problem, did we solve it. That's it. Very simple.

4 So we've got to have -- and you guys have convinced
5 me that the problems in Alabama are far different than New
6 York, are far different than New Mexico, so it starts with
7 getting that kind of logic model built on a
8 program-by-program basis and getting into it on a
9 state-by-basis, changing the dialogue. And I'll show you in
10 a few seconds how we think that's going to work.

11 One of the things that we hope that the new case
12 management system would do is not have us wait this 12 months
13 to have this sort of party at the end where we pop our new
14 data on and here's what happens next year, we'd like to be
15 able to have as a case management system a quarterly
16 reporting of it as it being developed so we have a sense on
17 our progress and we're not waiting until the end to see what
18 the numbers look like and scrambling when we get the news.
19 It's going to be a period of looking and evaluating as it
20 goes along.

21 That should change the conversation at board

1 meetings, it should change the conversation at the
2 presentation to the Congress dramatically. And that's what
3 we think is worth the investment, we think it's the only way
4 to get to the access and the quality you're looking for.

5 On the organizational side, all this is the
6 responsibility of John McKay, these three vectors. This is a
7 critical piece of it. You've got it. It's in your office.
8 And if he gets it, attaboy, if he doesn't, accountability.

9 The issue here is that every organization is only
10 as good as the executive management function tools it has to
11 work with and I can't tell you how many places I work in
12 which they begin implementing a plan and they look and they
13 have the same process, the same structure, the same people,
14 the same work ethic.

15 I tell them it isn't going to get there. People
16 have got to do different things. At the minimum, they've got
17 to work harder, usually work smarter, most of the time -- in
18 fact, most of the textbooks say that most good strategic
19 plans require reorganization because it means you're thinking
20 differently about how you're going to use your assets. Your
21 resources aren't in the right place, you've got to do

1 something different.

2 So at a minimum, this implementation plan, and a
3 lot of this is high level, what's going on right now, this
4 will be part of the project management piece and detail, but
5 there's a people issue, a human resource people issue. Do we
6 have the right people in the right place, people that are
7 committed to the mission and direction.

8 You have got to have -- every place I go, if you
9 don't have true believers implementing your plan, you might
10 as well not have a plan because it requires -- success here
11 requires intangibles. It's not a matter of here's a date,
12 here's a milestone, do it. It requires somebody who wants to
13 figure out why it's not working, go the extra yard and make
14 it work. It requires that kind of intangible people
15 involvement in the process. And it's going to be critical to
16 John and the whole staff that the people who have as their
17 job, as their mind set this goal be in the position to make
18 it happen because they will overcome obstacles because they
19 care. That's what you're looking at here.

20 You're looking at improved skills in key positions.
21 A lot of this is technology dependent. A lot of this is

1 dependent on a different kind of a management. You've got to
2 look and see if you have those skills in key positions and it
3 is going to require harder work, harder work on the part of
4 most of the folks in LSC, maybe more hours, maybe harder
5 work, but it's not going to happen with the existing level of
6 effort. We want to be able to track that and build that into
7 the performance plans, performance appraisal plans, of the
8 office itself.

9 It's going to require the right structure. We're
10 not sure right now the management structure is appropriate
11 for the task and that deals with the issue of technology
12 structure. They currently have technology issues in their
13 internal operation, they have technology issues having to do
14 with technology grants going on in the field, they have
15 technology issues based on the web site.

16 Is that the right way of approaching it or do we
17 have to think differently about how technology works in LSC?

18 There's a lot of options we're talking about with those
19 folks and there's going to have to be a decision on how do we
20 manage technology from the corporate structure.

21 The right process. Some things may need to be

1 privatized. Maybe they do. I don't know. But certainly in
2 this environment what we're hearing in every agency is that
3 when you're looking at enhanced performance, sometimes the
4 private sector can deliver it better, faster, cheaper than
5 the public sector and those things have to be on the table to
6 make this work as well.

7 Let me get in really quickly -- how are we doing on
8 time?

9 CHAIR EAKELEY: Really quickly.

10 MR. McWEENEY: Okay. The state planning initiative
11 piece here, which is there's two things I want to show you
12 specifically, two things and I'll zip through them because
13 that's the part that we're going to hold and track ourselves
14 to, I'm going to run through the approach here which is,
15 again, a restatement of the objectives that were in the plan,
16 the notion that there is a model for developing state
17 planning. I want you to be aware of what they're looking
18 for. And I want you to look at how they're going to manage
19 state planning project management.

20 The objectives right out of the existing plan,
21 we'll put those in the record.

1 What Randi Youells has put together is a concept.
2 I want you to look for strategies, it's a theory of how we're
3 doing it. The concept that the group decided on is that the
4 developmental categories of state planning go through three
5 levels.

6 Level one is the decision to do it, to develop the
7 state plan, to put in place an appropriate infrastructure.

8 Level two is implementation of the actions. Once
9 you've got the infrastructure, you move out to a second phase
10 and when you've done that for a while and overcome the
11 problems, you get to some sort of sustained activity.

12 What we're doing to monitor this is looking at
13 these levels, identifying the states that are in the levels
14 and making some sort of projection of what we expect to see
15 program wide, LSC wide, on this issue with this level one,
16 development of planning infrastructure.

17 What we're looking to see is the creation of state
18 planning committees, implementation plans, program
19 evaluations to get smart on the issue and right now the staff
20 is projecting a three-year period that we have 10 states that
21 should successfully go through level one this year. We

1 suspect that number to be up to 25 within two years and by
2 the end of the three-year period, the goal is to have all 50
3 states pass through that first phase, which is commitment,
4 establish committees to be able to do it.

5 That quickly gets you into a second phase which has
6 to do with first year actions, implementation efforts,
7 corrective actions, and that gets you into a situation where
8 we're talking about probably nine states are going to be
9 there this year in the implementation stage. In 24 months,
10 we hope to have 19 states.

11 At the end of the process, about 44 states will
12 have gone through phase two. That means within three years,
13 there will be six states that haven't got it together by our
14 current projections, the way they're categorized now.

15 When you get down to the full sustainment, we've
16 got three states identified this year that look to be in that
17 capacity, 12 state within 24 months. This plan says that by
18 the end of three years we can count on probably -- if you
19 follow this logic, and it will change -- our target is 31
20 states that will have gone through the three levels of
21 planning and are truly on their own implementing statewide

1 initiatives. And that's the program plan.

2 One quick slide I want to show you for the work
3 that is also about 10 days away, the process for tracking
4 this is going to look like this. This information is in
5 various forms --

6 CHAIR EAKELEY: Just read the headings for those of
7 us whose eyes are too old to get that far, even with glasses.

8 MR. McWEENEY: This is called the annual
9 performance plan. This is a document that will be tracked by
10 the state planning people and this is actually the basis of
11 the document that gets sent to Congress.

12 This plan identifies each state in this column. It
13 identifies the level we're talking about, whether beginning
14 level, intermediate level or mature level. It identifies the
15 state and next to it where they are.

16 In this column, we will have very shortly, my goal
17 is 30 days, the projected access increase we're looking for
18 in 2001, how many more, what percentage do we want to see an
19 increase in access by each state. We've got to have a
20 target. We're going to fill in that target.

21 We're going to talk about the access strategy by

1 state. Texas, Alabama, what are we doing here? Is it
2 technology? Is it intake? Is it pro bono? Is it personal?
3 What does it look like?

4 This is the important one. What are the problems?
5 What are the problems state by state preventing the access
6 to happen and what is on the plate to overcome those options
7 and how are we doing? This becomes a quarterly review
8 document in which we're able to see progress in state
9 planning. And that means that we've got to be frank as we go
10 across this board. This is part of the control mechanism
11 that begins changing discussion from whatever we've been
12 talking about to are we acting consistent with the plan and
13 the approach.

14 One more slide I want to show you and then I will
15 back off. I want to quickly get to -- this is a summary of
16 what we expect to see program wide for all of the state
17 planning initiatives.

18 When we get to an accountability system, we're
19 talking about three things. We're talking about compliance
20 as a piece of overall accountability. This is what the plan
21 did. We're talking about the beginning of program

1 assessments to actually ask detailed questions about the
2 success of the plan. And we're talking about a review of the
3 whole regulatory process that was part of the planning
4 initiative. That's all part of the performance plan.

5 The key piece we're coming to right here is -- this
6 was worked up by the compliance staff -- is answering the
7 question how do we know if our compliance program is having
8 the intended effect.

9 The idea is very simple. A very simple idea. It's
10 that at the end of the day we should be able to state with
11 certainty that we know so many programs are in substantial
12 compliance, so many are in substantial non-compliance and
13 there's a lot that we don't know. These are the three things
14 that we're asking to build a program plan around.

15 How this plays out, this will be the second to the
16 last slide, is we have identified the kinds of things that
17 categorize substantial compliance. This is what the staff
18 has worked out. We know there's a less than 10 percent error
19 rate on the self-inspection. There's no outstanding
20 complaints. No indicators of non-compliance from Crystal
21 reports. No indicators of non-compliance from other

1 reporting. A clean IPA audit. And a satisfactory visit by
2 LSC within five years. They pass this test, from our
3 perspective, this is the staff, they're in substantial
4 compliance and we can count them in the category of
5 substantial compliance.

6 Non-compliance looks like this. Twenty percent
7 error rate on self-inspection. A lot of folks in that
8 category right now. Two or more outstanding complaints.
9 Crystal reports indicate non-compliance. Analysis of other
10 reporting shows indicators of non-compliance. They may have
11 a qualified IPA audit because the audit doesn't oftentimes
12 get to the kind of questions that we're talking about here.
13 It can, but sometimes it doesn't. That may be an issue. And
14 there will be an unsatisfactory LSC visit so we can document
15 that they are in non-compliance.

16 And the third category is where most folks are
17 right now. We don't know. Error rates here. We've got one
18 or some complaints. No Crystal reports indicated. No
19 indications of a clean IPA report. No visit from LSC. We
20 don't know what's going on. So it's a category of we don't
21 know.

1 The task of the compliance people to make this work
2 is to turn their program from one in which they largely don't
3 know and we're going to try and put based on the
4 self-inspection numbers in this, again, within 30 days. Next
5 time you see this, it will have numbers. To a goal that says
6 by 2003, we are committing to 85 percent of the LSC programs
7 are going to be in what we call substantial compliance.
8 Hopefully we'll be able to minimize that number down to 10.
9 And the numbers of don't know which are currently a lot are
10 going to be zero. But we're going to try on an annual basis
11 to track what these columns look like as a way of reviewing
12 whether the compliance function is having an impact.

13 There's no reason to have a compliance function
14 unless you're saying and program wide here's the
15 consequences. It's not a case-by-case issue. We want to
16 look at that work on a program wide basis.

17 CHAIR EAKELEY: That's a good illustration. A
18 question was raised whether Tom and the staff work that's
19 implicit in what you're seeing should be presented today or
20 wait for the next board meeting because it wasn't -- the
21 thinking hadn't been completed, but I thought this is very

1 insightful in terms of the thinking and the activity that's
2 going on and I thought it well worth the presentation in its
3 still evolving form.

4 MR. McWEENEY: I think a key piece of this is that
5 you should ask for this presentation, in my view, whether
6 we're ready or not. This is where it is and this is what we
7 didn't do --

8 CHAIR EAKELEY: We did.

9 MR. McWEENEY: And so you got it.

10 CHAIR EAKELEY: And, I might add, Tom flew in from
11 St. Louis last night in order to do it.

12 MR. McWEENEY: Was ordered.

13 And this is what we're looking at right now over
14 the next 90 days and you can hold us accountable for this
15 within 90 days. It's that we're going to have the program
16 pilot identified. We're getting it identified, we're going
17 to work with the people, get some notion of what the program
18 pilot should look like. We're going to try and have -- we
19 will have awarded the contracts for the pilot.

20 We will have developed a prototype case file. We
21 will have completed the development of measurement tools.

1 We're talking about, for example, on the web page idea, a
2 measurement tool that as someone accesses the web page you
3 know that they accessed it, not who they are, but you know
4 that there was access, and a way of getting the comments back
5 from the access. If they want to tell you who they were,
6 that's fine; but if not, was it successful, did it help them,
7 was it useful, did it work. Other ideas they have. This can
8 be an iterative process on the web page and that's part of
9 the pilot program, is designing these kind of web tools that
10 allow you to get some information.

11 The company I'm working with says that same logic
12 can apply to telephone intake. You can find out a little bit
13 more about the people you're talking to without violating
14 their privacy by just getting come back data, which is
15 becoming a very important performance measurement for both
16 telephone and quality assessment mechanisms.

17 We will have completed a review of the whole LSC
18 technical architecture and determined what you've got to do
19 at LSC, if anything, to make all this work. The management
20 structure. I believe the schedule is for three compliance
21 audits to have been completed in the next 90 days and five

1 program reviews, although I may be a little bit stretching on
2 this one. This is the annual -- I'm sorry, these are annual
3 numbers, three and five. But this is what we have on the
4 plate to be able to talk to you by the next meeting
5 specifically, you know, I can give you a copy of this and it
6 becomes what have we done on these things.

7 CHAIR EAKELEY: Mary Luisa?

8 MS. MERCADO: Yes. This might be for John or for
9 Bob, I'm not sure.

10 Are these programs that we're going to go and
11 look at to try and do these analyses, are we going to be
12 providing any kind of technical grant money?

13 AUDIENCE PARTICIPANT: What we started with, Maria
14 Luisa, is I contacted five programs -- and we are just at
15 stage one -- and I've asked them if Dr. McWeeney's group can
16 come out and spend some time talking to them on the kinds of
17 problems and obstacles they face and how they practice on a
18 day-to-day basis and so five programs -- I've contacted five
19 and five have said fine and we're trying to decide right now,
20 so we're just at that stage one, to have the consultants go
21 out, spend some time in the field programs.

1 I tried to make sure that a larger urban program
2 and a larger rural program were on that list for this first
3 go round, too, so we're just trying to hone that down right
4 now.

5 MS. MORGAN BATTLE: My other question is we had a
6 column to talk about the problems and the challenges. What
7 about the successes? Because as I hear you talk, you're
8 talking about how we can change the dialogue that we have
9 about what it is that we're doing.

10 Do we have a column and a way of being able to
11 track the success of the programs and what it is that they're
12 actually accomplishing?

13 MR. McWEENEY: Yes. That was back -- let me just
14 go back to that, this space here. I mean, this is something
15 that we're going to be working with, but we're really talking
16 here about the access strategy action. This column,
17 performance measures, really means the success.

18 What we're doing in this column is saying this is
19 what we should see in the other report with respect to each
20 of the states. It's a performance measure, but it really is
21 the indications of success.

1 MS. MORGAN BATTLE: Yes. I'd like to see it
2 clearly delineated as successes.

3 MR. McWEENEY: Headlined as success?

4 CHAIR EAKELEY: Yes. That plus substantial
5 compliance for the accountability. That is very important
6 for the Congress, too.

7 MR. McWEENEY: And perhaps part of this in the
8 reporting is to really focus on those things as part of it.

9 See, your input on what is a good report is
10 critical here. And the format of this, instead of just raw
11 numbers going up there, some notion of how we came to those,
12 what was a success and what was not. That's part of the
13 planning.

14 CHAIR EAKELEY: And the ultimate success stories
15 will be greater access, higher quality and greater positive
16 outcomes for clients in need.

17 MS. MERCADO: Now, I was wondering about that. In
18 one of your slides that you had, the way I read it and
19 interpreted it on the outcome, you seemed to indicate that
20 the outcome should be a win situation in that case category.

21 MR. McWEENEY: I sure hope not.

1 MS. MERCADO: And the reality is that for a lot of
2 the clients is not going to be a win situation.

3 MR. McWEENEY: We sure don't mean that. If we did,
4 we'll fix that.

5 MS. MERCADO: You know, I sort of read it that
6 way and I had that thought as I saw it and I forgot to
7 mention it. This issue of success, what success means or
8 doesn't mean, as long as it doesn't mean that we win all the
9 time.

10 MR. McWEENEY: Right. It's a fine line between
11 saying address the legal services problems and causing
12 litigants to win. We don't mean that at all.

13 We mean the legal services problems, meaning access
14 and quality service and hopefully if do you that, there
15 should be some inferential enhancement to the community.
16 People have trust and confidence, they feel better about what
17 they're doing, they think they have the facility to take care
18 of their needs if they have them and, if they do, they should
19 be better off.

20 MS. MERCADO: Some of that may be deterrents for
21 future --

1 MR. McWEENEY: Absolutely. But we do not mean
2 victory in court.

3 CHAIR EAKELEY: But that's going to be the
4 difficult of designing a performance measure.

5 MS. MORGAN BATTLE: Yes, but it's an important
6 piece, it seems to me, because as we go to Congress, there is
7 a program in every state and the successes of those programs
8 articulated to those people is an important part of the
9 process. So we really do need to spend some time on that.

10 MR. McWEENEY: The key to the state planning
11 initiative here, in my view, it's a wonderful initiative
12 because it speaks to that point. It means the ultimate
13 success of legal services is success at the states, success
14 of the programs. And we're going to try and roll it up into
15 a meaningful report at the end of the year. That's a
16 dramatic change and that gets you relevance and that gets you
17 a serious evaluation.

18 In my view, your role is indispensable in making
19 sure that that dialogue is going to happen, talk about it at
20 these meetings and other meetings, because that's how you get
21 things to happen. You will be dealing with the issues that

1 tend to make a difference.

2 That's the shell. I tried to cut it into 45
3 minutes, but it's a snapshot of where we are and I would hope
4 that every time you get together we do just a big chart, not
5 all the slides, but those major things we're tracking, report
6 on what we're tracking, what the issues were, what the status
7 was, how much you engaged in a dialogue.

8 CHAIR EAKELEY: That last step is also -- I mean,
9 this was a snapshot because it's in process, but ultimately
10 this process will yield proposals for consideration and
11 determination by the board.

12 Tom, thank you very much.

13 Now if we could ask David Richardson to come to the
14 podium?

15 We're on agenda item 14, review of the
16 corporation's consolidated operating budget expenses and
17 other funds available through February 29, 2000.

18 MR. RICHARDSON: Thank you, sir.

19 And, again, for the record, my name is David
20 Richardson and I'm the treasurer of the corporation.

21 I'd like to just take a moment to recognize a

1 couple of people with their change in committees. I'd just
2 like to say thanks to Ms. Mercado and Mr. Smegal and Justice
3 Broderick for their service on the finance committee and
4 welcome my new committee with Ms. Rogers and Mr. Erlenborn
5 and Ms. Battle. I look forward to working with each of you.

6 We will get to the report. I know we're under some
7 time restraints.

8 February represents, of course, five months of our
9 fiscal year, so we're basically 42 percent through the fiscal
10 year. The report was handed out to you either last night or
11 this morning. Sorry for the delay in getting that to you.
12 We've had some computer problems and we hope to get those
13 straight in the next couple of days.

14 The budget for this year is \$302 million and I'm
15 going to talk in thousands when we talk so I'm going to
16 round. The budget is \$302,450,000. We have spent thus far a
17 total \$290,596,000.

18 To break that out a little bit further, our basic
19 field component is \$288,607,000. We have given contracts to
20 date of \$285,048,000. There's a remaining amount of
21 \$3,560,000 and that is due to month-to-month funding and

1 grant issues that we're still working on, some consolidation
2 issues and that will be increasing each month as we go by
3 here.

4 Grants from other funds available, this is money
5 we've collected from interest or for grant recoveries. We
6 have \$79,000 in this fund. This year, we spent basically
7 \$52,000 of that, so there is \$28,000 remaining.

8 Within management and administration, we have a
9 budget total for management and the IG of \$12,830,000.
10 Management's portion of that, \$10,485,000. We have spent to
11 date \$3,883,000 within the management area. That represents
12 about 37 percent of the annual budget, so we're within the 42
13 percent for the year. We're not strictly linear in our
14 approach to budgeting. For instance, we give salary
15 increases in January, so we only have nine months of that in
16 the budget, so this figure will increase as we go.

17 Also within this area, you'll see that for instance
18 in the board of directors there's a \$275,000 budget. We've
19 spent less than \$50,000 to date. We've had two meetings,
20 with today's meeting and you're going to have two additional
21 meetings this fiscal year, there's some additional travel

1 this summer that we know will happen that's built into this
2 budget, and with the decision that was made here recently,
3 there's \$75,000 of money that will be freed up from this
4 budget to help with other activities because had a
5 presidential search fund there. So that money will help to
6 go support other activities.

7 Just looking down, I know there's a time restraint,
8 so let me just summarize very quickly, but going down to the
9 IG again, his budget is \$2,344,000. He spent \$729,000 to
10 date. That's 31 percent of his budget. So, again, both
11 areas are within budget.

12 To look back further, on page 2 of the document,
13 actually 3 in the accounting, we have no grant recoveries
14 this year. Our interest income, we budgeted \$275,000 into
15 this year for operations. We have collected through February
16 \$103,000, so we need an additional \$170,000 and I feel
17 comfortable that we will get that. We are working toward
18 that end.

19 On page 4 of the document, we have a breakdown of
20 the expenses by budget category, by office. There is no
21 budget that we have any particular problems in. I've worked

1 up, for instance, the board of directors has spent 17
2 percent, the executive office 40 percent, legal affairs 28
3 percent of their budget, government relations 40 percent,
4 administration 40 percent. The comptroller's office is 35
5 percent.

6 One office that does appear to be over is the
7 information technology but that's because we had some ongoing
8 activities at the end of the year that we were funding in
9 this year, so they've spent 47 percent of their budget, but
10 it will be substantially decreased the remainder of the year.

11 Program performance is at 36 percent. We know that
12 they gear up for the competition, additional travel through
13 the summer, so that will be increasing.

14 Information management, you heard today about MRJ,
15 that will be funded through this particular budget. It's at
16 31 percent, so this line item will be increasing.

17 And compliance is at 35 percent of their spending.

18 MR. SMEGAL: David, let me ask you a question. On
19 my copy at least it appears there are some asterisks. Why
20 are they there?

21 MR. RICHARDSON: One of the problems we've had with

1 our little software that we have is a rounding mechanism.
2 When it rounds five numbers in one area, it rounds 15 numbers
3 in an area. So we had to go in and make a little minus one,
4 plus one here and there and that's just an indication for me
5 to go back and make adjustments. In the total it is correct,
6 it's just a matter for me to go back and look at it later.

7 MR. SMEGAL: The numbers add up, it's just that one
8 of them has in some columns it has this --

9 MR. RICHARDSON: Yes.

10 MR. SMEGAL: All right. Thank you.

11 MR. RICHARDSON: I know that's a very quick and
12 abbreviated report. I will be working much more closely with
13 Ms. Rogers in the future and Mr. Erlenborn. I look forward
14 to working with you and Ms. Battle also in this process. And
15 if you ever have any questions, any members of the board, do
16 feel free to give me a call.

17 CHAIR EAKELEY: Any questions?

18 Mary Luisa?

19 MS. MERCADO: Yes. On Attachment A, page 2 of 2,
20 on the miscellaneous 275, you have a negative? What is the
21 basis for that?

1 MR. RICHARDSON: That's the interest that we've
2 budgeted into this particular field and it's a negative only
3 because of the addition mechanism to get it into the budget.

4 CHAIR EAKELEY: Any other questions?

5 (No response.)

6 CHAIR EAKELEY: Hearing none, we thank you.

7 The next item and last on the open meeting agenda
8 is consider and act on the board's meeting schedule.

9 You've got a proposed board meeting dates and
10 locations and we've been unable to find meeting dates where
11 all 11 of us could make each and every meeting. I'm told by
12 staff who have gone into this that this is the best we could
13 do and I'm presenting it to you as such; that is to say
14 slightly flawed, but the best we can do, and hope that it
15 receives your approval with my apologies to those who can't
16 make each of these meetings according to their current
17 schedule.

18 MR. SMEGAL: I was just going to ask, is there any
19 flexibility at all? The way this plays out, I'm going to
20 have to miss the March and June meetings and if they were a
21 week later, I would not, one or the other. And I'm just

1 wondering if these are so fixed in their timing that we can't
2 change when they are.

3 MR. MCKAY: They're fixed.

4 MR. SMEGAL: They are fixed?

5 CHAIR EAKELEY: Well, they're not fixed because we
6 haven't approved them, but we don't have that flexibility,
7 John?

8 MR. MCKAY: No.

9 CHAIR EAKELEY: That's the answer to the question?

10 MR. MCKAY: That's the answer.

11 CHAIR EAKELEY: Okay.

12 MR. MCKAY: There are numerous scheduling issues
13 that aren't reflected here that are ABA, holidays, and we've
14 tried to check around with board members but this is the best
15 you're going to do, I believe, to schedule them. There are
16 other scheduling issues that impact here, other than board
17 members' individual schedules, and I know that we will lose
18 several board members on various meetings, but no one group
19 of board members at any one meeting. You all have difficult
20 calendars.

21 CHAIR EAKELEY: Tom, would you be able to

1 participate in one or the other of those by phone conference
2 call, by any chance?

3 MR. SMEGAL: The March one, not from Melbourne,
4 Australia, no.

5 CHAIR EAKELEY: No.

6 MR. SMEGAL: The other one -- if those dates are --
7 I can't live with those dates. I mean, Sunday and Monday I
8 can work with, for example. But if --

9 CHAIR EAKELEY: Let me make this proposal. By the
10 sound of it, we can't do better than this, but why don't we
11 approve this schedule and these meeting places and then take
12 another look because we're all here now, but rather than
13 negotiate individual times, can we just go back and take
14 another look beyond that, generally?

15 MR. McKAY: Sure.

16 MR. McCALPIN: Yes. I think that this needs review
17 as the year develops because there will be other things that
18 arise, both institutionally and personally.

19 CHAIR EAKELEY: But especially the meetings out of
20 town we've got to lock in -- we've got to lock in on the out
21 of town meetings soon.

1 MR. McKAY: We have to give notice, we have to
2 plan. We've got to lock in. We've got to get hotels, we've
3 got to get -- cost issues are associated with that. I think
4 we've been through that issue. It's very necessary to
5 establish these meetings in advance so we can build around
6 them. We're working much more closely with local bars and
7 other stakeholders to testify.

8 CHAIR EAKELEY: Let's do this, though. I would
9 propose that we approve these subject to asking staff to go
10 back and take another further look and then if there's some
11 unexpected flexibility that we find in one or more of the
12 conflict dates, let's re-poll the board.

13 MR. McKAY: Sure.

14 CHAIR EAKELEY: How about doing it that way?

15 MS. MERCADO: Well, at least for Tom on the March
16 one, where it's D.C., there might be maybe a little bit
17 easier than maybe one of the out of town ones.

18 CHAIR EAKELEY: Yes. Yes. Let's see what we can
19 do.

20 MR. McKAY: And I should mention that the reference
21 to Albuquerque, New Mexico on September 14 and 15, we are

1 working on making that a meeting also that will occur at the
2 Navajo Nation for part of that meeting.

3 We're looking at logistics, but the intention there
4 is to try to conduct at least part of the meeting at Window
5 Rock, which I know this board in the past has -- not much of
6 this board, but --

7 CHAIR EAKELEY: The board has been to Window Rock.

8 MR. McKAY: Not this board. That's correct. But
9 our intention is to conduct one board meeting, if possible,
10 at the Navajo Nation and that was the Albuquerque meeting.

11 MS. MORGAN BATTLE: I'm delighted to see Alabama on
12 the list.

13 CHAIR EAKELEY: First stop.

14 All right. All those in favor of adopting the
15 agenda as proposed but subject to a request to staff to
16 review it one more time.

17 MR. McKAY: And may I just amend that to ask you to
18 please get comments in to Victor and to his staff and we will
19 sit down and take a look at all the comments again and see if
20 we've got any potential flexibility.

21 CHAIR EAKELEY: Is there a motion?

1 M O T I O N

2 MR. ERLNBORN: So moved.

3 MS. MORGAN BATTLE: Second.

4 CHAIR EAKELEY: All those in favor?

5 (Chorus of ayes.)

6 CHAIR EAKELEY: Opposed?

7 (No response.)

8 CHAIR EAKELEY: All right. Now I need a motion to
9 go into closed session.

10 MR. McCALPIN: May I ask, there's been some
11 flexibility to change, the next meeting in Minneapolis, what
12 are the exact dates?

13 CHAIR EAKELEY: Sunday and Monday, June whatever
14 that is, June 25-26, I believe it is.

15 MR. McCALPIN: Okay.

16 CHAIR EAKELEY: Okay. The chair will entertain a
17 motion to go into closed session to deal with a briefing by
18 the inspector general and the report of the Office of Legal
19 Affairs.

20 Is there a motion?

21 M O T I O N

1 MS. WATLINGTON: Motion.

2 CHAIR EAKELEY: Second?

3 MR. McCALPIN: Second.

4 CHAIR EAKELEY: All those in favor?

5 (Chorus of ayes.)

6 (Whereupon, at 11:40 a.m., the board meeting
7 continued in executive session, to reconvene in open session
8 at 11:55 a.m.)

9 * * * * *

1 MR. ERLNBORN: We are now back in open session.

2 You can tell the folks out there they can return,
3 but we'll probably be through before they can get back.

4 The next item on the agenda is consider and act on
5 other business.

6 Does anyone have any other business?

7 (No response.)

8 MR. ERLNBORN: Mark, why don't you ask, is there
9 anyone there who wants to make a comment before we adjourn,
10 anyone in the public?

11 MR. FREEDMAN: Is there anyone for public comment
12 before they adjourn? Speak now --

13 MR. ERLNBORN: The gentleman is recognized.

14 MR. McKAY: The Honorable Justice Titleman.

15 JUDGE TITLEMAN: I just want to say I think you're
16 doing a great job. I don't think you're getting enough --
17 it's a thankless job, I'm afraid, but you're doing a great
18 job and especially John.

19 I have come in contact with John at a number of ABA
20 meetings in the state planning process in Missouri and I must
21 say I was probably one of the recalcitrant ones to begin

1 with, but we've come a long way, we've got a lot of
2 creativity, a lot of energy, a lot of new dreams, dreams of
3 making equal justice a reality, not only in Missouri, around
4 the country, and I think that's due to John's enthusiasm.

5 As Tom Smegal said so well, he really brings an
6 energy and a youthfulness and a sense of things getting done
7 that is really critical to the movement and we need it in
8 Congress, we need it in the field, we need it throughout the
9 country and John represents you extremely well when he's out
10 there in the field.

11 I was so impressed with the strategic plan, we'll
12 have objective standards to work with Congress on and I think
13 this is fantastic and you're doing a great job.

14 MR. MCKAY: Thank you.

15 MR. ERLNBORN: Any questions or comments?

16 MS. MERCADO: You know, one comment I was going to
17 make, as far as the youthful advocacy, if you will, is that
18 sort of ties in with the ten point memo that we got from
19 Randi Youells yesterday in the provisions committee in that I
20 think there was a comment by her that the zealousness or
21 advocacy of legal services wasn't only the property of the

1 baby boomers, I guess, which some of us are.

2 And the reality of it is that, you know, while
3 we've been traveling around the country going on site to the
4 programs it's the large number of young attorneys in those
5 field offices that are very excited about doing advocacy on
6 behalf of the poor, that it's not just all of us old
7 dinosaurs that are in those offices, you know, and there are
8 people coming in from Yale and Harvard and everywhere else,
9 that's their chosen profession, to represent the poor. And
10 so inasmuch as our director is young and youthful, also to
11 recognize that a lot of our staff in the field are as well
12 and carrying on the banner of justice for everyone.

13 JUDGE TITLEMAN: Well, specifically, at Legal
14 Services of Eastern Missouri, at least one-third of the staff
15 to even one-half are below 30. And a number of ours, we had
16 one lawyer came from Harvard was heading up our AIDS project,
17 our consumer project, she's now working for a governor
18 running for senate in the state of Missouri, she took a
19 leave, but there are people leaving the large firms.

20 We have at least two or three attorneys who have
21 left the largest firms in St. Louis to join Legal Services

1 because that's what they want to do with their career.
2 Exactly what you're saying, people from Ivy League schools,
3 people from not Ivy League schools, it really doesn't matter,
4 but they're very much enthusiastic about being in the cause
5 for justice and John is the perfect leader for them and for
6 the baby boomers, giving the baby boomers a lot more energy
7 and a lot more life.

8 I was a director at age 32. Our new director, I
9 won't say her age, but she's significantly above 32, but I
10 would just say -- you know, we were young and probably I made
11 a lot of mistakes, I'm sure of it, but it's just a tremendous
12 feel about Legal Services nationally and we can really get to
13 that dream of equal justice under law and your efforts are
14 very much appreciated.

15 I see John more than most of you, I saw a number in
16 Houston, which I was very happy to see, and Ms. Fairbanks
17 this morning, but you folks are doing a fantastic job.
18 Whenever I get a chance to come to the board, I get enthused,
19 so congratulations to all of you.

20 MR. McCALPIN: We hear a lot about baby boomers,
21 how about us notch babies?

1 JUDGE TITLEMAN: Well, it's funny, I have to just
2 give a little anecdote. One of my dear friends, one of the
3 great leaders we have, a fellow named Jerry Artball, he was
4 approaching 55 and he said, well, I'm getting a little old, I
5 don't know whether I can keep it up.

6 I said, you see that guy, Bill McCalpin? You've
7 got at least another 20 years to go.

8 MR. ERLNBORN: Thank you very much.

9 JUDGE TITLEMAN: Thank you.

10 MR. ERLNBORN: There being no further action for
11 the board to take, do I hear a motion to adjourn?

12 M O T I O N

13 MS. FAIRBANKS-WILLIAMS: So moved.

14 CHAIR EAKELEY: Second?

15 MS. WATLINGTON: Second.

16 MR. ERLNBORN: All in favor?

17 (Chorus of ayes.)

18 MR. ERLNBORN: Motion carried.

19 (Whereupon, at 12:00 noon, the board meeting was
20 adjourned.)

21 * * * * *